

Form REG-8
Application for
Farmer Tax Exemption Permit

**Read the instructions before
you complete this form.**

For Department Use Only		
Connecticut Tax Registration Number		
Approved	Denied	TPS #

Name of Applicant (Sole Proprietor, Partnership, Corporation, or LLC)			Social Security Number (<i>Individual</i>)	
Address			Federal Employer ID Number (<i>Other</i>)	
City, Town, or Post Office	State	ZIP Code	Check One: <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> SMLLC <input type="checkbox"/> LLC <input type="checkbox"/> LLP <input type="checkbox"/> Fiduciary	Check One: <input type="checkbox"/> Purchased existing farm <input type="checkbox"/> Changed business structure <input type="checkbox"/> New applicant <input type="checkbox"/> Renewal <input type="checkbox"/> Start-up farmer (See instructions.)
Name of Farm		Telephone Number		
Location of Farm (Street Address and Town)				

1. Were you engaged in agricultural production as a trade or business during the preceding taxable year? <input type="checkbox"/> Yes <input type="checkbox"/> No	2. You: <input type="checkbox"/> Own the farmland <input type="checkbox"/> Lease the farmland (Check one) <input type="checkbox"/> Own part and lease part of the farmland
3. Total acreage of farm: _____ Total acres used in agricultural production by you during the preceding taxable year: _____	
4. What farm products, including livestock, did you raise during the preceding taxable year? _____	5. What farm products, including livestock, will you raise during the next two years? _____
6. Have you been issued a Sales and Use Tax Permit by the Department of Revenue Services? <input type="checkbox"/> Yes <input type="checkbox"/> No	7. Do you have employees? <input type="checkbox"/> Yes <input type="checkbox"/> No

8. If you answered yes to 6 or 7, enter your Connecticut Tax Registration Number.
(Do **not** enter Farmer Tax Exemption Permit Number or Federal Employer Identification Number.) _____

9. State the amount of gross income you derived solely from agricultural production as reported on your federal income tax return. (See chart in the instructions.)

In 200__	9a.	\$ _____
In 200__	9b.	\$ _____
Average (Add Lines 9a and 9b and divide total by 2.)		9c. \$ _____

10. If the amount entered on Line 9b or Line 9c is less than \$2,500, but you qualify because you purchased an existing agricultural business in the current or immediately preceding taxable year, enter the following information. (See instructions.)

Name of Seller

Seller's Farmer Tax Exemption Permit Number

Declaration: I declare under penalty of law that I have examined this application (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false statement to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Applicant's Signature	Spouse's Signature	Date
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You and your spouse must both sign the application if you are filing a joint application. (See General Instructions)

Have you **attached the following documents** to your application?

- ☐ A signed copy of your federal income tax return (Pages 1 and 2 for federal form 1040 or Page 1 of federal form 1041, 1065, 1120, or 1120S).
- ☐ Schedule F or Schedule C of your federal income tax return. Corporations and partnerships must also submit Schedule F even though the entity does not file one for federal purposes.

Detail of Farm Income Reported on Federal Schedule C

If you report farm income on federal Schedule C, you must provide detailed information about your sales and expenses. Complete the sections below.

A: How much of the amount reported on Schedule C, Line 1, is income from agricultural production? \$ _____

B: List the agricultural products you raised and the agricultural services you provided and list the gross income from each. The total should equal the amount reported on Line A above. Attach additional sheets if necessary.

Product or Service	Gross Income
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
5. _____	\$ _____
6. _____	\$ _____
7. _____	\$ _____
8. _____	\$ _____
9. _____	\$ _____
10. _____	\$ _____

C: If any products listed in B were products you purchased for resale (for example, seedlings or calves), list the products below and indicate the length of time you raised each product prior to its sale. Attach additional sheets if necessary.

Product Purchased for Resale	Length of Time You Raised It
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____

Important Information for Start-Up Farmers

Conn. Gen. Stat. §12-412(63)(E) allows a start-up farmer to receive an exemption permit, if:

- You intend to carry on agricultural production for at least two years; **and**
- Your gross income from farming will be at least \$2,500 in the second year, or an average of \$2,500 per year for both years; **and**
- Your gross expenses from farming will be at least \$2,500 in the second year, or an average of \$2,500 per year for both years.

You must pay use tax on all purchases made using an exemption permit if you do not meet these conditions. See **Informational Publication 2005 (12)**, *Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax*.

General Instructions

Use **Form REG-8** to request a Farmer Tax Exemption Permit if you engage in agricultural production as a trade or business. The Farmer Tax Exemption Permit allows a farmer to purchase tangible personal property used exclusively in the agricultural production process without paying Connecticut sales and use taxes and allows a farmer to purchase motor vehicle fuels used exclusively in the agricultural production process without paying motor vehicle fuels excise tax.

The Department of Revenue Services (DRS) issues a Farmer Tax Exemption Permit for up to two years depending on the application date. An exemption permit issued October 1, 2004, or later, is valid until September 30, 2006.

You **must** submit the specified pages of your most recently filed **federal income tax return** and copies of any federal income tax return schedules (for example, Form 4835, Schedule C, or Schedule F).

If you are applying as a **start-up farmer**, read the *Important Information for Start-Up Farmers* above.

DRS will issue a Farmer Tax Exemption Permit if you meet all three of the following conditions:

1. You are engaged in *agricultural production as a trade or business*. To be engaged in *agricultural production as a trade or business*, you must materially participate in the activity with a profit motive.
2. You reported, for federal income tax purposes, gross income of \$2,500 or more from agricultural production:
 - For the preceding taxable year; **or**
 - On average, for the preceding two taxable years.

This gross income is generally reported on federal Form 4835, Schedule C, or Schedule F attached to federal Form 1040, 1041, 1120, or 1065. A corporation must submit the same information as would be reported on Schedule F, even though it would not file a Schedule F for federal income tax purposes. (See instructions for Line 9 on Page 4.)

3. You **must** submit the following pages of your federal income tax return and copies of any federal income tax return schedules (for example, Form 4835, Schedule C, or Schedule F). See the table that follows for guidance on which returns to submit with the application. Failure to attach the required forms may delay the processing of the application.

- Individuals must furnish a signed copy of federal Form 1040 (Pages 1 and 2) and copies of any federal income tax return schedules (for example, Form 4835, Schedule C, or Schedule F). A husband and wife who file a joint federal income tax return can file a joint Form REG-8, *Application for Farmer Tax Exemption Permit*, if both enter and sign their names on the application.
- If you submit a federal Schedule C to report farm income, you must complete the *Detail of Income Reported on Federal Schedule C*, on Page 2 of this application.
- Fiduciaries of estates or trusts must furnish a signed copy of Page 1 of federal Form 1041 and copies of any federal income tax return schedules that detail the income and expenses (for example, Form 4835, Schedule C, or Schedule F).
- Partnerships must furnish a signed copy of Page 1 of federal Form 1065 and copies of any federal income tax return schedules that detail the income and expenses (for example, Form 4835, Schedule C, or Schedule F).
- Corporations must furnish a signed copy of Page 1 of federal Form 1120, 1120A, or 1120S. In addition, a corporation must submit with this application the same information as would be reported on federal Form 4835, Schedule C, or Schedule F, even though it would not file a Schedule C or F for federal income tax purposes. The items reported must correspond with what was reported on the corporation's Form 1120, 1120A, or 1120S.

Calendar Year Filers

If you apply....	You must submit...
Before April 15, 2005	2003 federal return or 2004 federal return (if filed with the IRS).
After April 15, 2005, but before April 15, 2006	2004 federal return or 2005 federal return (if filed with the IRS).
After April 15, 2006	2005 federal return

Fiscal Year Filers

If your fiscal year ends....	You must submit...
January to March 2004	2003 federal return
April to December 2004	2002 federal return
January to March 2005	2004 federal return
April to December 2005	2003 federal return
January to March 2006	2005 federal return

Sales and Use Tax Permit Required

A farmer selling goods must register for a Sales and Use Tax Permit and collect sales tax on the taxable sales. Taxable goods commonly sold by farmers include plants, certain seeds, hay, feed, mulch, fertilizer (including manure), livestock, poultry, rabbits, Christmas trees (living or cut), wreaths, decorated or carved pumpkins, and flowers.

Line Instructions

If you are applying for a permit as a start-up farmer, answer only those questions that are applicable. Enter **None** if the question asks for information about a year when you were not engaged in agricultural production as a trade or business.

Line 1: Check **Yes** if you are engaged in one of the following as a trade or business:

- Raising and harvesting any agricultural or horticultural commodity;
- Dairy farming;
- Forestry (however, persons who purchase standing timber or who cut timber and resell the logs to a mill are not considered to be engaged in agricultural production);
- Raising livestock (including horses), bees, poultry, fur-bearing animals, or wildlife;
- Raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish; **or**
- Boarding horses.

Lines 4 and 5: Describe in detail the farm products produced by you for sale. For example, a dairy farmer who owns milk cows should list milk as the product. A vegetable farmer should list the specific vegetable(s) grown for sale.

Products purchased by you for resale are not agricultural products produced by you in agricultural production. For example, do not list cut flowers or plants purchased by you for resale.

Line 9: The amount on Line 9b is generally the amount reported either on Line 4 of the federal Schedule F or on Line 1 of the federal Schedule C. (Persons filing Schedule F who are accrual basis taxpayers report the amount entered on Line 38 of Schedule F.) If you are in the business of raising, feeding, caring for, training, or managing livestock, including horses, you must enter the total gross income received from these activities. If your gross income was less than the \$2,500 requirement, you can now qualify for the exemption permit if your income from agricultural production for the last two years, as reported on your federal return, averaged \$2,500. Provide your gross income for each year only if you are using this method to qualify for the exemption permit.

See the chart on Page 3 of this application to determine which income years you should list on Line 9. Fill in the appropriate year.

Line 10: If the gross income entered on Line 9 was less than \$2,500 and in the current or immediately preceding taxable year you purchased an agricultural trade or business from a seller who was issued a Farmer Tax Exemption Permit at the time of the purchase, enter the seller's name and Farmer Tax Exemption Permit number.

Horse Farms

A farmer that reports income from a horse farm should indicate in Sections A and C on Page 2 of Form REG-8 whether the income is from:

- Boarding horses;
- Breeding horses;
- Selling horses;
- Commissions;
- Lessons or training;
- Pony or horse rides; **or**
- Other (describe fully).

For more information, call Taxpayer Services at **1-800-382-9463** (in-state) or **860-297-5962** (from anywhere); **TTY, TDD, and Text Telephone users** may transmit inquiries anytime by calling **860-297-4911**. Preview and download forms and publications from the DRS Web site at **www.ct.gov/DRS**